

JANUARY 16, 1976

1976 HARVEST: WEATHER IS CRUCIAL

ANNCR:

FROM HIS VANTAGE POINT IN KANSAS CITY, AGRICULTURE SPECIALIST ROD TURNBULL SAYS THAT IN 1976, THE WEATHER WILL PLAY A MORE CRUCIAL ROLE THAN EVER IN DETERMINING AMERICA'S HARVEST.

VOICE:

TRADERS IN GRAIN ARE BEGINNING TO LOOK AHEAD MORE THAN THEY LOOK BACK; THEY HAVE FAIRLY COMPLETE KNOWLEDGE ON PRODUCTION IN THE PREVIOUS YEARS, THEY HAVE SEEN HOW GRAIN HAS BEEN MOVING TO MARKET SO FAR, AND THEY CAN MAKE PRETTY GOOD ESTIMATES ON WHAT THE UTILIZATION WILL BE UNTIL THE NEW HARVESTS ARE AT HAND. SO NOW THEY ARE BEGINNING TO LOOK AT ALL THE FACTORS THAT WILL DETERMINE WHAT THESE NEW HARVESTS WILL BE.

AT THIS TIME OF THE WINTER, WHEN NO SEEDING IS BEING DONE, EVERYTHING IS IN THE PLANNING STAGE; AND PLANS, OF COURSE, ON SUCH THINGS AS HOW MUCH LAND WILL BE PLANTED IN CORN OR SOYBEANS CAN BE CHANGED, NOT ONLY AS THE SPRING GETS CLOSER, BUT ACTUALLY UP TO THE VERY LAST DAYS BEFORE SEEDING IS ACCOMPLISHED. THE GRAIN TRADE TRIES TO ANTICIPATE WHAT FARMERS ARE PLANNING. IT IS HELPED BY GOVERNMENT REPORTS WHICH ARE THE RESULTS OF SURVEYS AMONG FARMERS IN WHICH THEY ARE ASKED WHAT THEY INTEND TO DO. NO ONE KNOWS FOR SURE, OF COURSE, JUST WHAT WILL BE PLANTED OR HOW MUCH UNTIL THE PLANTING IS COMPLETED.

ONE THING APPEARS FAIRLY CERTAIN, EVEN AT MID-WINTER, AND THAT IS THAT THE WEATHER THIS YEAR WILL BE AN EXTREMELY

IMPORTANT FACTOR IN DETERMINING FINAL YIELDS AS COMPARED TO LAST YEAR. NATURALLY THIS IS TRUE EVERY YEAR, NOT ONLY IN THE UNITED STATES BUT IN ANY OTHER COUNTRY. BUT IT IS MORE IMPORTANT AS THE SINGLE FACTOR THIS YEAR THAN IS USUALLY THE CASE IN THE UNITED STATES. THE TWO MAJOR FACTORS IN GRAIN PRODUCTION ARE THE AMOUNT OF LAND SEEDED AND THE WEATHER. THIS YEAR, THE AMOUNT OF LAND SEEDED TO ALL CROPS PROBABLY WILL NOT VARY FROM THE AMOUNT SEEDED LAST YEAR. AND THE REASON IS SIMPLE -- MOST OF THE LAND READILY AVAILABLE FOR CULTIVATION WAS UTILIZED LAST YEAR AND IT WILL BE USED AGAIN THIS YEAR. ANY CHANGES IN TOTAL YIELD, THEREFORE, WILL BE DUE TO THE WEATHER.

IT MAY BE RECALLED THAT PRIOR TO NINETEEN SEVENTY-TWO, FARMERS IN THIS COUNTRY FOR YEARS WERE PAID BY THE GOVERNMENT TO KEEP A CERTAIN PERCENTAGE OF THEIR LAND IDLE, BECAUSE AMERICA HAD SURPLUSES WHICH IT FOUND DIFFICULT TO SELL. IN NINETEEN SEVENTY-TWO, THESE SURPLUSES BEGAN TO DISAPPEAR, AND SINCE THAT TIME, THE GOVERNMENT HAD DISCONTINUED ITS EFFORTS TO KEEP ANY LAND IDLE. AMERICAN FARMERS NOW PLANT AS THEY PLEASE, WITHOUT ANY KIND OF GOVERNMENT CONTROLS EITHER ON LAND OR PRICE. WORLDWIDE MARKETS HAVE INDICATED TO AMERICAN FARMERS THAT THEY PROBABLY CAN SELL ALL THEY PRODUCE, SO, MOST OF THE LAND THAT WAS IDLE A FEW YEARS AGO WAS IN PRODUCTION LAST YEAR, AND PRESUMABLY IT WILL ALL BE SEEDED TO CROPS AGAIN THIS YEAR.

THE MIX OF CROPS MAY CHANGE A LITTLE. AS AN EXAMPLE, AT THE PRESENT TIME, THERE IS CONSIDERABLE TALK ABOUT THE PROSPECT OF AN INCREASE IN CORN PLANTINGS THIS SUMMER, WHILE AT THE SAME TIME, THE SOYBEAN PLANTINGS WILL BE REDUCED. THE REASON FOR SUCH TALK NOW IS THE CURRENT PRICE SITUATION WHICH MAKES CORN LOOK BETTER THAN SOYBEANS FOR HIGHER INCOME. THERE ARE A FEW OTHER THINGS THAT AFFECT YIELDS, SUCH AS THE AMOUNT OF FERTILIZER APPLIED. BUT GENERALLY SPEAKING, TOTAL CROP YIELDS IN THE U.S. ARE DETERMINED BY THE AMOUNT OF LAND PLANTED AND THE WEATHER. THIS YEAR, THEN, THE MAJOR VARIABLE, AS COMPARED TO LAST YEAR WILL BE THE WEATHER.

LAST YEAR, THAT IS, NINETEEN SEVENTY-FIVE, AMERICA HAD ITS GREATEST TOTAL CROP YIELDS IN HISTORY. TO REPEAT THIS PERFORMANCE THIS YEAR, THE WEATHER WILL HAVE TO BE JUST AS GOOD. SO ALL THAT PART OF THE WORLD THAT IS INTERESTED IN U.S. EXPORTS SHOULD BE WATCHING THE WEATHER IN THE UNITED STATES THIS YEAR.

GH/PBM